

SENATE BILL REPORT

HB 1045

As Reported By Senate Committee On:
Ways & Means, April 2, 2001

Title: An act relating to reducing the law enforcement officers' and fire fighters' retirement system plan 2 disability actuarial reduction age from fifty-five to fifty-three.

Brief Description: Reducing the law enforcement officers' and fire fighters' retirement system plan 2 disability actuarial reduction age from fifty-five to fifty-three.

Sponsors: By Representatives Conway, Delvin, Doumit, Barlean, H. Sommers, Lambert, Alexander, Kagi, O'Brien, McIntire, Hurst, Hatfield, Haigh, Kenney, Edmonds, Keiser and Van Luven; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 4/2/01 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Brown, Chair; Constantine, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Rasmussen, Regala, Roach, Rossi, Sheahan, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Zarelli.

Staff: Pete Cutler (786-7454)

Background: Members of the Law Enforcement Officers and Fire Fighters Retirement System (LEOFF 2) who become totally incapacitated for continued employment are eligible to receive a disability retirement allowance. The disability allowance is actuarially reduced to reflect the difference in the number of years between the age at disability and age 55. The policy reflected by the actuarial reduction is to provide the disabled member with access to his or her retirement benefit at an earlier age, but at no additional cost to the retirement plan.

Prior to September 2000, the normal retirement age for LEOFF 2 members was age 55. Legislation enacted in the 2000 session lowered the normal retirement age to 53, but it inadvertently failed to make a corresponding reduction in the age from which the disability allowance actuarial reduction was calculated.

Summary of Bill: For LEOFF 2 members who first receive a disability allowance after September 1, 2000, the age from which a disability retirement allowance is actuarially reduced is lowered from age 55 to age 53. Members who retired due to disability between September 1, 2000, and the effective date of the bill have their allowances recalculated to reflect an actuarial reduction from age 53.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed, except section 2, which takes effect March 1, 2002.

Testimony For: None.

Testimony Against: None.

Testified: No one.